

Castle & Cooke
Hawaii

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Harry A. Saunders
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Email Submittal: <http://www.honolulu.gov/ccl-testimony-form.html>

June 28, 2017

The Honorable Kymberly Marcos Pine, Chair
The Honorable Ikaika Anderson, Vice-Chair
Committee on Zoning and Housing

Subject: Written Testimony in Strong Opposition to Bill 58

Dear Chair Marcos Pine, Vice-Chair Anderson and the Committee on Zoning and Housing:

I am Harry Saunders, President of Castle & Cooke Hawaii, and have over forty (40) years of experience in providing housing opportunities for Hawaii's people. Castle & Cooke has built and delivered some 24,000 homes in Hawaii of which over 8,500 have fallen within the parameters considered affordable housing, both in the for sale and rental markets. Opposition to Bill 58 is based on this substantial experience regarding housing in Hawaii.

Numerous studies, economic analyses and housing experts conclude that a major factor impacting the cost of housing in the State of Hawai'i has been regulations that directly increase the cost and reduce the supply of housing. Bill 58 increases the regulations and decreases the supply.

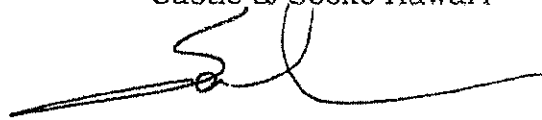
The 30 year restriction negatively impacts developers, buyers of affordable homes and homebuyers generally. Developers will increase the price of the 80% of homes that are not subject to the 30 year restriction, and if that results in increasing pricing over market, then it is possible that developers will just not build any of the homes, thereby restricting overall supply and inventory to the detriment of all homebuyers. For buyers of affordable homes, the 30 year restriction creates an artificial barrier to normal accumulation of equity, perpetuating their economic circumstances.

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I urge the committee to defer Bill 58 to focus on creating meaningful incentives to building affordable homes rather than adding regulations that discourage development and haven't worked in the past thirty (30) years.

Mahalo for your consideration of our testimony. If you have questions, please feel free to contact me.

Sincerely,
Castle & Cooke Hawai'i

A handwritten signature in black ink, appearing to be "H. A. Saunders", written over a horizontal line.

Harry A. Saunders